VI.—ANNOUNCEMENTS—*cont.*

(2) THE MADRAS AGRICULTURAL INCOME-TAX (SECOND AMENDMENT) BILL, 1961.

DEPUTY SPEAKER : I have to announce to the House that the Governor has given his recommendation for the introduction in the Madras Legislative Assembly of the Madras Agricultural Income-tax (Second Amendment) Bill, 1961.

IV.—GOVERNMENT BILLS—*cont.*

(5) THE MADRAS AGRICULTURAL INCOME-TAX (SECOND AMENDMENT BILL, 1961.

* THE HON. SRI M. A. MANICKAVELU : Mr. Deputy Speaker, Sir, I beg leave to introduce the Madras Agricultural Income-tax (Second Amendment) Bill, 1961, and move—

'That the Bill be taken into consideration.'

The Bill seeks to set right certain procedural defects noticed in the working of the Act. When the levy of Agricultural Income-tax was extended to non-plantation crops a special provision was made in section 34 of the Madras Plantations Agricultural Income-tax (Amendment) Act, 1958, for compounding the levy on the acreage basis. But some of the Agricultural Income-tax Officers granted permission for such composition under section 65 of the Madras Act V of 1955 instead of under section 34 of the Amendment Act, 1958. It is proposed to rectify this procedural irregularity and validate the assessments made in these cases.

According to section 9 (2) of the Madras Agricultural Income-tax Act, 1955, any person sending the return of his total agricultural income should include so much of the income of a wife or a minor child as arises directly from the assets transferred to the wife or minor child otherwise than for adequate consideration. The wording of this sub-section conveys the impression that it applies only to computation of total agricultural income and not also to composition cases in which the levy is fixed on acreage basis. In order to make the position clear it is proposed to include section 9 (2) of the 1955 Act in section 65 of the Madras Agricultural Income-tax Act, 1955, section 34 of the Amendment Act, 1958, and section 14 of the Madras Act 11 of 1961. I request the House, Sir, to accept the motion.

DEPUTY SPEAKER : Motion moved—

'That the Madras Agricultural Income-tax (Second Amendment) Bill, 1961, be taken into consideration.'

* SRI R. SRINIVASA IYER : Sir, there is not much to speak about the Bill that is now before the House. In 1955 an Act was passed with reference to the plantations only and then it was extended by suitably amending it with reference to lands other than plantations. But a few days ago the High Court of Madras has